

INTERNATIONAL UNION OF OPERATING ENGINEERS

FRANK HANLEY
Chairman

MICHAEL J. MURPHY
Treasurer

1125 Seventeenth Street, N.W.
Washington, D.C. 20036
202-429-8100

FEDERAL ELECTION
COMMISSION
JUN 9 11 35 AM '97

Engineers Political Education Committee

June 9, 1997



HAND DELIVERY

Mr. J. P. Andre', Reports Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: C00029504
30 Day Post-General Report (10/17/96 - 11/25/96)

Dear Mr. Andre':

This letter is submitted on behalf of the International Union of Operating Engineers/Engineers Political Education Committee ("IUOE/EPEC") in response to the FEC's May 28, 1997 preliminary review of the report referenced above.

The preliminary review states that the contributions to Stabenow for Congress made by IUOE/EPEC and its affiliate, the Operating Engineers Local 324 National Political Activities Committee ("Operating Engineers Local 324"), may exceed the \$5,000.00 limit per election on contributions from multicandidate committees to candidates for federal office. As explained below, while it may appear, based on an inadvertent error, that IUOE/EPEC and its affiliate contributed \$9,500.00 to Stabenow's general election campaign and made a single contribution of \$500.00 to her primary election campaign, IUOE/EPEC and Operating Engineers Local 324 did, in fact, contribute a total of \$5,000.00 to the general election campaign and a total of \$5,000.00 to the primary election campaign.

In 1996, IUOE/EPEC and Operating Engineers Local 324 each made two separate contributions to Stabenow for Congress. Operating Engineers Local 324 made a contribution of \$4,500.00 to her primary election campaign on March 11, 1996, which was about five months before the August 6, 1996 primary election, and a contribution of \$1,000.00 to her general election campaign on October 28, 1996. IUOE/EPEC made a \$500.00 contribution to Stabenow's primary election campaign on May 5, 1996, and a \$4,000.00 contribution to her general election campaign on October 18, 1996. The total contributions for both elections comply with the \$5,000.00 limits set forth in the Federal Election Campaign Act.

The apparent excessive contribution is attributed to the fact that Operating Engineers Local 324 inadvertently indicated that both its 1996 contributions to Stabenow were for the general election campaign even though the March 1996 contribution was for the August 1996 primary election. Operating Engineers Local 324's intent with regard to its March 1996 contribution is documented in the attached June 27, 1996 memorandum from the Operating Engineers Local 324 to former IUOE/EPEC Treasurer Jack Flynn. The purpose of the memorandum was to coordinate the efforts of IUOE/EPEC and Operating Engineers Local 324 so that the affiliated committees would comply with the contribution limits set forth in the Federal Election Campaign Act. On that memorandum, Mr. Flynn noted a "P" next to the contributions that Operating Engineers Local 324 made for primary election campaigns, including the March 1996 contribution to the Stabenow for Congress campaign.

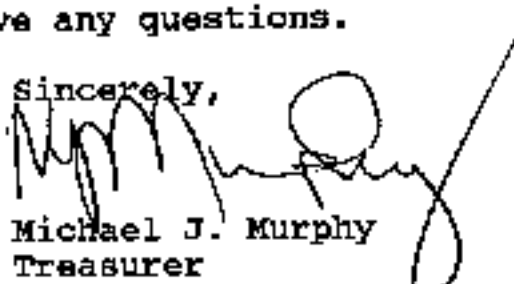
The FEC regulations concerning undesignated contributions provide further support that IUOE/EPEC and its affiliate are in full compliance with the contribution limits. In making the \$4,500.00 pre-primary contribution, Operating Engineers Local 324 did not designate in writing to the candidate that the contribution was for a particular election. The committee sent the attached letter to Stabenow stating that the check enclosed with the letter was a contribution for her "election to the 8th Congressional District." Under FEC regulations, where a committee does not designate a particular election in making a contribution to a candidate for federal office, the "next election for that Federal Office after the contribution is made," is the election for which the aggregate limit of \$5,000.00 applies. 11 C.F.R. §110.2(b)(2)(ii). Since the undesignated contribution was made in March 1996 and the next election for the federal office sought by Stabenow was the August 1996 primary election, the \$4,500.00 should be counted toward the aggregate limits for the primary election.

Moreover, Stabenow for Congress has advised IUOE/EPEC that it recorded the \$4,500.00 contribution from Operating Engineers Local 324 as a primary election contribution in its FEC report.

In light of the foregoing, Operating Engineers Local 324 has advised EPEC that it will amend its original report with clarifying information.

Please call me if you have any questions.

Sincerely,



Michael J. Murphy
Treasurer



John L. Apple
Treasurer

Local 324

International Union of Operating Engineers

37450 Schoolcraft, Suite 110 • Livonia, Michigan 48150
(313) 462-3660 • FAX (313) 462-4830

Sam T. Hart

Business Manager and General Vice President

John M. Hamilton
President



Russell V. McGregor
Vice-President



William P. Scully
Financial Secretary - Pipeline Representative

William B. Stoneburner
Recording/Corresponding Secretary

FAX TRANSMITTAL

DATE: June 27, 1996 TIME: 2:00 PAGES TO FOLLOW: 0

TO: Jack Flynn

FIRM/COMPANY: International Union of Operating Engineers

FAX NUMBER: _____

FROM: Scott

COMMENTS: _____

2/1/95 Bonior for Congress \$500.00 MI-10 (P) -
5/22/95 Levin for Congress \$1,000.00 Sander MI-12
9/19/95 Levin for Congress \$150.00 Sander MI-12
10/20/95 St Clair County Democratic Committee David Bonior \$75.00 MI-10 (A)
10/20/95 Friends of Senator Carl Levin \$250.00 MI
1/11/96 Stabenow for Congress \$4,500.00 MI-8CD
5/9/96 Grand Traverse Democratic Party Congressman Bart Stupak \$110.00 MI-1
9/9/96 Kildee for Congress \$2,000.00 MI-9 DATE (A)
5/29/96 Friends of Senator Carl Levin \$500.00 MI-SAL (A)

Thanks, _____

NEUMAN (P) NJ-11

Scott

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BRANCH OFFICES

1305 I-75 Business Loop, Grayling, MI 49738
(517) 348-2230 • FAX (517) 348-8267



7677 Midland Road, Freeland, MI 48623
(517) 495-8262 • FAX (517) 695-3537



2201 Ludington Street, Escanaba, MI 49829
(906) 786-7791 • FAX (906) 789-1035



G-4086 Dolan Drive, Flint, MI 48504
(810) 785-3481 • FAX (810) 785-2000

3617 Gembert Circle, Kalamazoo, MI 49001
(616) 381-1970 • FAX (616) 342-6349

3755 Remembrance Road, NW, Whitefish, MI 49804
(816) 433-6397 • FAX (816) 433-1465

3914 Executive Drive, Lansing, MI 48911
(517) 393-0400 • FAX (517) 393-5377

**LOCAL 324 POLITICAL ACTIVITIES COMMITTEE**

37450 Schoenclcraft Road, Suite 110 • Livonia, Michigan 48150

(313) 462-3660

March 12, 1996

Stabenow for Congress
PO BOX 4945
East Lansing MI 48826

313-482-4830

-352

Dear Debbie:

Enclosed please find a check from the Operating Engineers Local 324 National Political Activities Committee for your election to the 8th Congressional District.

We look forward to working with you after your victory and if we can be of any further assistance please feel free to let us know.

Sincerely,

Sam T Hart
Business Manager and
General Vice President
Operating Engineers Local 324

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For more information
contact the
Political Committee

For more information
contact the
Political Committee

Federal Election Commission
ENVELOPE REPLACEMENT PAGE
FOR INCOMING DOCUMENTS

The Commission has added this page to the end of this filing to indicate how it was received.

☒ Hand Delivered

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6-9-97

☐ First Class Mail

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DATE OF RECEIPT

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Records

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and/or DATE OF RECEIPT



PREPARER

6-10-97

DATE PREPARED